



**METROPOLITAN  
TRANSPORTATION  
COMMISSION**

Joseph P. Bort MetroCenter  
101 Eighth Street  
Oakland, CA 94607-4700  
TEL 510.817.5700  
TDD/TTY 510.817.5769  
FAX 510.817.5848  
E-MAIL [info@mtc.ca.gov](mailto:info@mtc.ca.gov)  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

***Memorandum***

Agenda Item No. 2e

TO: Operations Committee

DATE: December 7, 2012

FR: Executive Director

W.I.: 310-2700

RE: Clipper® Program Contract Actions:

- i. Contract Change Order – AT&T Frame Relay Equipment Upgrade: Cubic Transportation Systems, Inc. (\$300,000)
- ii. Cooperative Agreement – New Vehicle Installations: AC Transit (\$150,000)
- iii. Contract Change Order – AC Transit New Vehicle Installations: Cubic Transportation Systems, Inc. (\$150,000)

**Clipper® Program Status Report**

The Clipper® program has continued to experience consistent growth in recent months:

- In October, Clipper® transaction volume averaged 698,000 transactions per weekday, which is a program record.
- The program experienced a nearly 13 percent jump in fee-generating transactions. Total transactions increased from 17.4 million in September to 19.6 million in October.
- Settled transit operator revenue correspondingly grew 12 percent to \$36.2 million.

Attachment 1 includes additional information about Clipper® system operations for October 2012.

**Contract Actions**

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into the following contract actions:

- i. Contract Change Order – AT&T Frame Relay Equipment Upgrade: Cubic Transportation Systems, Inc. (\$300,000)**

This Change Order will support the design and implementation of modernization upgrades to the Clipper® AT&T network. AT&T is in the process of decommissioning the current frame relay network throughout the Bay Area and replacing the 56K lines with T1 lines. This is a change in the infrastructure required to operate the Clipper® system and will necessitate an upgrade to an AT&T Virtual Private Network/Multiprotocol Label Switching (AVPN/MPLS) system. The Clipper® Contractor, Cubic Transportation Systems, Inc. (Cubic), will replace and reconfigure network equipment to operate within the AVPN/MPLS system.

**ii. Cooperative Agreement – New Vehicle Installations: AC Transit (\$150,000)**

AC Transit seeks to have Clipper<sup>®</sup> devices installed on new vehicles that it is currently procuring from Gillig Corporation. Under the proposed agreement, MTC will enter into a Clipper<sup>®</sup> Contract Change Order to enable installation of the equipment before the vehicles enter revenue service. The proposed Contract Change Order is described in the next item. AC Transit will fund all work related to this project, but MTC will manage delivery and installation of equipment through the Clipper<sup>®</sup> Contract. MTC will be fully reimbursed up to \$150,000 under this agreement.

**iii. Contract Change Order – AC Transit New Vehicle Installs: Cubic Transportation Systems, Inc. (\$150,000)**

This Change Order will support the installation of Clipper<sup>®</sup> onboard fare collection devices on new vehicles supplied to AC Transit by Gillig Corporation. Cubic shall install and configure onboard fare collection equipment, brackets and supply required materials necessary for installation.



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## Attachment 1

**Table 1: Summary of System Utilization**

	Last Month October 2012	Prior Month September 2012	Prior Year October 2011
<b>Transaction Volume</b>			
Average Number of Weekday Transactions	697,902	686,530	571,532
Fee-Generating Fare Payment Transactions (monthly total)	18,147,384	16,042,099	14,238,125
Fee-Generating Add Value & Refund Transactions (monthly total)	1,455,823	1,329,302	1,058,312
Total Fee-Generating Transactions	19,603,207	17,371,401	15,296,437
Unique Cards Used	641,157	623,397	496,635
Number of Fee-Generating Transactions per Unique Card	30.57	27.87	30.80
Active Card Accounts	1,329,795	1,310,727	1,029,263
Percent of Registered Active Cards	46%	45%	43%
Settled Transit Operator Revenue	\$36,232,642	\$32,235,781	\$26,882,629
<b>Autoload Activity</b>			
Percent of Registered Cards with Autoload	38%	38%	39%
Autoload Transactions	313,861	303,870	219,568
<b>Call Volume</b>			
Customer Service Representative (CSR) Calls	31,220	30,501	37,820
CSR Calls per Unique Card Used	0.05	0.05	0.08
Help Desk Calls	996	916	1,097
<b>Website Traffic</b>			
Unique Visitors	174,309	169,546	138,767
Website Visits	253,710	246,201	209,089
Website Visits per Unique Card Used	0.40	0.39	0.42

**Table 2: Clipper® Weekday Market Share**

	Average Weekday Clipper Boardings October 2012	Market Share Current Month October 2012	Market Share Prior Month September 2012	Market Share Prior Year October 2011
AC Transit	57,347	29.0%	28.3%	26.0%
BART	212,883	54.2%	52.5%	40.7%
Caltrain	9,273	75.0%	72.5%	73.2%
SFMTA	345,445	52.0%	51.7%	49.4%
SamTrans	15,529	33.5%	34.0%	10.4%
VTA	40,147	28.9%	28.4%	4.4%
WETA	669	26.2%	69.8%	N/A
Golden Gate Ferry	7,489	95.4%	94.6%	96.4%
Golden Gate Transit	9,120	38.9%	38.3%	35.6%

MTC's calculation of the Clipper® market penetration rate on Caltrain reflects an assumption that monthly pass holders board Caltrain twice per day on weekdays. MTC estimates that the 13,503 calendar pass sales during Caltrain's vending window for August passes translated to 27,006 additional Caltrain boardings each weekday.

The drop in market penetration for WETA in October reflects the addition of two new ferry services accepting Clipper®.

## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Contract Change Order

Work Item No.: 310-2700

Contractor: Cubic Transportation Systems, Inc.  
San Diego, CA

Project Title: AT&T Frame Relay Equipment Upgrade

Purpose of Change Order: Support the design and implementation of modernization upgrades to the Clipper® AT&T network.

Brief Scope of Work: Replacement and reconfiguration of network equipment.

Project Cost Not to Exceed: \$300,000 (this Change Order)  
Total capital contract value including Change Orders before this Change Order = \$126,071,465  
Total authorized capital contract amount with this Change Order = \$126,371,465 (this total does not include other December 7 contract approval actions).

Funding Source: STP, CMAQ, STA, STP Exchange, Regional Measure 2 Capital

Fiscal Impact: Funds included in the FY 2012-13 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a contract change order amendment with Cubic Transportation Systems, Inc. for the purposes described herein and in the Executive Director's December 7, 2012 memorandum, and the Chief Financial Officer is authorized to set aside funds up to \$300,000 for such contract change order.

Operations Committee:

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Jake Mackenzie, Chair

Approved: Date: December 14, 2012

## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Cooperative Agreement

Work Item No.: 310-2700

Agency: Alameda-Contra Costa Transit District (AC Transit)

Project Title: AC Transit New Vehicle Installations

Purpose of Project: AC Transit to provide funding for installation of Clipper® fare collection equipment

Brief Scope of Work: Negotiate terms of change order and provide project administration.

Project Cost Not to Exceed: \$150,000

Funding Source: AC Transit

Fiscal Impact: None: fully funded by AC Transit

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into Cooperative Agreement with AC Transit as described herein and in the Executive Director's December 7, 2012 memorandum.

Operations Committee:

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Jake Mackenzie, Chair

Approved: Date: December 14, 2012

## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Contract Change Order

Work Item No.: 310-2700

Contractor: Cubic Transportation Systems, Inc.  
San Diego, CA

Project Title: AC Transit New Vehicle Installations

Purpose of Change Order: Support the installation of Clipper® onboard fare collection devices on new AC Transit vehicles.

Brief Scope of Work: Install and configure onboard fare collection equipment, brackets and supply required materials necessary for installation.

Project Cost Not to Exceed: \$150,000 (this Change Order)  
Total capital contract value including Change Orders before this Change Order = \$126,071,465  
Total authorized capital contract amount with this Change Order = \$126,221,465 (this total does not include other December 7 contract approval actions).

Funding Source: AC Transit Cooperative Agreement

Fiscal Impact: Funds included in the FY 2012-13 agency budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a contract change order for the purposes described herein and in the Executive Director's December 7, 2012 memorandum, and the Chief Financial Officer is authorized to set aside funds in the amount of \$150,000 for such contract change order.

Operations Committee:

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Jake Mackenzie, Chair

Approved: Date: December 14, 2012